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December 18, 1997

BY HAND

Ms. Magalie Salas
Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Reply Comments of Philips Electronics North America Corporation
ET Docket No. 97-206

Dear Ms. Salas:

Enclosed for filing please find the original and nine (9) copies of the Reply Comments of Philips Electronics North America Corporation in the above-referenced docket.

Please stamp and return to this office with the courier the enclosed extra copy of this filing designated for that purpose. Please direct any questions that you may have to the undersigned.

Respectfully submitted,

Lawrence R. Sidman

Lawrence R. Sidman

Enclosures

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of	)	
	)	
Technical Requirements to Enable Blocking	)	
of Video Programming based on Program	)	ET Docket No. 97-206
Ratings	)	
	)	
Implementation of Sections 551(c), (d) and	)	
(e) of the Telecommunications Act of 1996	)	

REPLY COMMENTS OF
PHILIPS ELECTRONICS NORTH AMERICA CORPORATION

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America Corporation

December 18, 1997

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REPLY COMMENTS OF PHILIPS ELECTRONICS NORTH AMERICA CORPORATION

Philips Electronics North America Corporation ("Philips") submits these reply comments in the above-captioned Notice of Proposed Rulemaking ("*NPRM*") to amend Part 15 of the Commission's Rules to require that television receivers of 13" or more be equipped with features that enable viewers to block the display of video programming with a common rating, as required under Section 551(c), (d) and (e) of the Telecommunications Act of 1996 ("the Act").[1/]

I. Proponents of Multiple Ratings Systems Fail to Show That Multiple Ratings Will Not Jeopardize the Broad Acceptance and Use of the V-chip by Parents.

Nearly every party addressing the issue of multiple ratings in their comments, including those who support the use of multiple ratings systems, recognizes that the accommodation of multiple ratings systems would add complexity and confusion to the operation of the V-chip by parents.[2/] In fact, Canada's experience in field testing a V-chip

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[1/] Pub. L. No. 104-104, 110 Stat. 56 (1996).

[2/] See Joint Programming Industry Comments at 10; Philips Comments at 6; CEMA Comments at 9; MECA Comments at 9; Zenith Comments at 4; ITI Comments at 6; Soundview Comments at 2; EEG Comments at 3;

system using multiple ratings systems more than bears this out. In its report to the Canadian Radio-television and Telecommunications Commission ("CRTC") on V-chip field trials it had conducted over a 6-week period in early 1997, the Action Group on Violence on Television ("AGVOT") found:

> [T]here was virtual unanimity with participants stating that two or three different ratings systems only complicated the use of the V-chip as it required making multiple decisions about the appropriate rating level for their family, with the subsequent necessity to program the separate ratings systems within the V-chip...[Participants] also considered it nonsensical that there could be different systems applied to the same program[.] This finding is similar to that of earlier trials, when consumers could not understand the logic of having different ratings systems.[3/]

As such, the mandated use of multiple ratings systems (i.e., the adoption of more than one ratings system or the requirement that manufacturers build receivers to accommodate multiple ratings systems) directly counters the Commission's goal of ensuring that "program blocking technology...be implemented in as 'user friendly' a manner as possible."[4/] The consensus on this issue is made clear in the record established in this proceeding: public interest and children's health advocates,[5/] television set manufacturers (and other consumer electronics

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Comments of John B. Livingstone, M.D. ("Livingstone Comments") at 2; Comments of OKTV™ ("OKTV Comments") at 2; Comments of Tim Collings, Crystal J. Gips, The Los Angeles Times News Service, The School Libraries Association of Los Angeles County, The Children's Libraries Association of Los Angeles Country and Better Viewing Magazine ("Collings Comments") at 5.

[3/] Report to the Canadian Radio-television and Telecommunications Commission from the Action Group on Violence on Television, *Report on a Classification System for Violence in Television Programming to be used in Conjunction with V-chip Technology* (April 30, 1997). (http://www.cab-acr.ca).

[4/] NPRM at ¶ 14.

[5/] See joint comments of the Center for Media Education, American Medical Association, American Academy of Pediatrics, American Psychological Association, Children's Defense Fund, Children Now, National Association of Elementary School Principals, National Education Association and the National Parent Teacher Association ("CME Comments") at 5.

manufacturing experts),[6] and the broadcasting, cable and film making industries[7] all advocate the need for the Commission to adopt a *single* ratings system and *not* to require manufacturers to design receivers to accommodate multiple ratings systems. Requiring parents to navigate through a labyrinth of ratings systems when programming their V-chip, and the frustration that such a requirement would engender, would quickly and permanently dampen parental acceptance and use of this new technology.

Moreover, the Telecommunications Act of 1996 neither requires nor contemplates the mandated use of multiple ratings systems. To the extent supplemental ratings services (be they positive- or negative-option) become available in the future, they should be left to the marketplace and not mandated for use by every television in the United States.

The mandated use of "positive-option" ratings,[8] while perhaps desirable to some parents, is nowhere to be found, explicitly or implicitly, in Section 551's requirement that television receivers with picture screens 13 inches or greater be "equipped with a feature designed to enable viewers to *block* display of all programs with a common rating."[9] In fact, the positive-option system proposed by commenters is designed not to block programming, but to *unblock* programming that has been blocked according to a separate ratings system such as the TV Parental Guidelines. While some ambitious parents may welcome a supplementary ratings system such as this, others likely will reject its complexity (as well its technical

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[6] See Philips Comments at 5; MECA Comments at 9; Zenith Comments at 3; CEMA Comments at 9; ITI Comments at 5; Soundview Comments at 2; Comments of EEG Enterprises, Inc. ("EEG Comments") at 3.

[7] See joint comments of the National Association of Broadcasters, the National Cable Television Association, and the Motion Picture Association of America ("Joint Programming Industry Comments") at 8.

[8] See Collings Comments at 4-6.

[9] Pub. L. No. 104-104 at § 551(c).

limitations[10]). In any event, the FCC's mandating of this type of system by all televisions in the U.S. cannot be supported under a reading of the plain language of Section 551.

As an alternative, the development and availability of "positive-option" systems, and other innovative supplementary or alternative ratings systems, need not depend on the government's approval and in fact are best left to marketplace forces. Systems such as these, for instance, could easily be made available to parents who wish to use them by entrepreneurs through the use of a set-top box. Likewise, television set manufacturers may choose to add value to their sets by including such systems as features in certain models. In this regard, Philips agrees with commenters who advise that the Commission *encourage* but not mandate the development of multiple ratings systems.[11] The Commission should not attempt to pick winners and losers among these various competitive ratings services.

Moreover, regardless of its relative merits, such a system still defies the Commission's goal of ensuring that parents find the V-chip optimally easy to use. The use of these additional ratings still would require parents to navigate through a gauntlet of programming options to operate their V-chip. While some enterprising parents may welcome this level of programming sophistication, many, perhaps most, others will not. Let us not forget that Congress intended to provide parents with a useful *tool,* not a surrogate parent, to help them control what their children view on television.

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[10] The supplemental positive-option ratings system proposed by Messrs. Collings, et. al., while potentially technically feasible, would necessarily require large amounts of data (approximately 260 bytes of information) to be carried on line 21, field 2 of the VBI. The decreased performance speed resulting from such an increased data demand could result in an unacceptable "latency" of as much as ten minutes before the programming is unblocked.

[11] See CME Comments at 5.

II. Philips Intends to Abide by EIA-Developed Standards In Designing Sets With V-chip Program Blocking Capability.

With respect to certain "minimum" performance requirements of V-chip program blocking capability advocated by some commenters[12/] (such as the ability of a receiver to automatically block programming with more restrictive ratings when programming with a less restrictive rating is selected, or the ability to automatically block unrated programming) and commenters' desire to ensure consistent functionality of V-chip equipped receivers,[13/] Philips intends to conform to the Statement of Recommended Practices adopted by the Electronic Industries Association ("EIA"), which addresses the blocking operation of a television receiver and other recommendations for receiver functioning with the V-chip.[14/] This document, which was jointly balloted and approved by manufacturers and broadcasters, includes specific guidance on performance-related matters involving the V-chip and will ensure a more than sufficient degree of functional consistency among receivers equipped with the V-chip.

As discussed at length by Philips and others in their comments,[15/] the Commission should not, nor has it the authority to, regulate television receiver user interfaces for V-chip program blocking. The design of such user interfaces is key to maintaining competitive differentiation among receivers of various manufacturers. In this area, the forces of competition will produce greater choice for consumers in terms of price and features.

[12/] See Joint Programming Industry Comments at 5; CME Comments at 2-4.

[13/] See Joint Programming Industry Comments at 3.

[14/] EIA Engineering Bulletin CEB-1, "Recommended Practice for the Content Advisory Extended Data Service (XDS) Packet (October 1997).

[15/] See Philips Comments at 10; CEMA Comments at 15; MECA Comments at 16; ITI Comments at 8; Joint Programming Industry Comments at 4.

III. Final Approval by the Commission of a Ratings System and the Instant Technical Rules by January 1998 Remains An Essential First Step to Rapid Introduction of the V-chip to Parents.

As discussed by those parties who possess the technical expertise and practical experience to design, test and manufacture receivers equipped with V-chip program blocking, the Commission's proposed timetable for implementation of the V-chip's technical requirements -- July 1, 1998 for one-half of all models, and July 1, 1999 for all remaining models -- is simply impossible to meet.[16/] By contrast, those supporting the Commission's proposed timetable possess no such qualifications to make a credible case that such a deadline would be even remotely feasible, either technically or practically, without risking both the integrity of the entire receiver and the success of the V-chip.

Particularly nettlesome to Philips is the erroneous assertion made by some commenters that the specific program blocking capability called for under Section 551 and in the instant NPRM has existed since the adoption of the 1996 Telecommunications Act.[17/] In fact, nothing could be further from the truth. Indeed, it was not until August 1997 that the EIA-608 standard for program blocking was formally balloted and approved. In addition, the proposed industry program ratings system, which was initially adopted in January 1997 -- and then revised in August 1997 -- *still* awaits Commission approval. Obviously, the FCC's technical rules remain to be adopted in their final form. Manufacturers have consistently sought speedy action on these matters to hasten the commencement of their own production cycles for V-

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[16/] See comments of Philips Electronics North America Corporation ("Philips Comments") at 12, the Consumer Electronics Manufacturers Association ("CEMA Comments") at 4, Matsushita Electric Corporation of America ("MECA Comments") at 6, Soundview Technologies ("Soundview Comments") at 1, the Information Technology Industry Council ("ITI Comments") at 10, and Zenith Electronics Corporation ("Zenith Comments") at 3.

[17/] See CME Comments at 8.

chip equipped receivers. To assert that V-chip program blocking technology "has existed" for years is simply to ignore these facts.

Philips again urges the Commission to adopt both the program ratings system and the instant technical rules by January 1998 and to push back its implementation date by one year, requiring the all new models to be equipped with V-chip program blocking capability by July 1, 1999, with the remainder due in compliance by July 1, 2000.[18/]

IV. The Commission Should Exempt Receivers Designed for Industrial Use.

Philips again urges the Commission to exempt from its program blocking rules television receivers designed for institutional use.[19/] Nothing in the legislative history of Section 551, or in any of the comments filed in this proceeding, contradicts the notion that program blocking capability is intended for use *by parents in the home*. Indeed, such an exemption is essential to avoiding unintentional confusion and inconvenience for thousands of users of institutional receivers and would in no way thwart the Commission's fundamental goal of delivering V-chip technology to parents as rapidly as technically feasible.

V. Conclusion.

Philips is eager to move forward in realizing the Commission's goal of making V-chip program blocking technology available to parents as quickly as technically feasible. The Commission should not require manufacturers to design their receivers to accommodate multiple

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[18/] If the Commission fails to act by January on either the ratings system or these technical rules, however, Philips will be forced to delay introduction of the first models with V-chip program blocking capability until July 1, 2000.

[19/] As discussed in Philips' initial comments, these receivers are designed specifically for use in hospitals, hotels, schools, airports, and various business environments (such as bars and restaurants) where more than one person views and/or operates the television. Depending on the setting, these sets are used to receive standard video programming fare (via over-the-air broadcast signals, cable, DBS, SMATV, MMDS) as well as internal programming or information such as airline departure/arrival information, hotel check-out, etc.

ratings systems, nor should it mandate the use of supplementary "positive-option" ratings systems in addition to blocking technology. The Commission should refrain from regulating either user interfaces and should leave the adoption of performance standards in the hands of the EIA and manufacturers to implement. Philips urges the Commission to approve the industry ratings system and the instant program blocking technical rules for manufacturers no later than January 1998, and delay its proposed implementation date by one year, requiring all new models to be equipped with V-chip program blocking capability by July 1, 1999, with the remaining models due in compliance by July 1, 2000. Finally, the Commission should exempt from its program blocking rules all receivers designed for institutional use.

Respectfully Submitted,

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